



The TOD Dividend

Opportunities and Findings

NCDOT
Public Transportation
Conference

October 2018

Today's Agenda

- Durham-Orange Light Rail
- Our FTA Transit Oriented Development Pilot Program Grant
- Report on Key Findings
 - Economic
 - Community Benefits
 - **Affordable Housing**
 - Catalytic Infrastructure

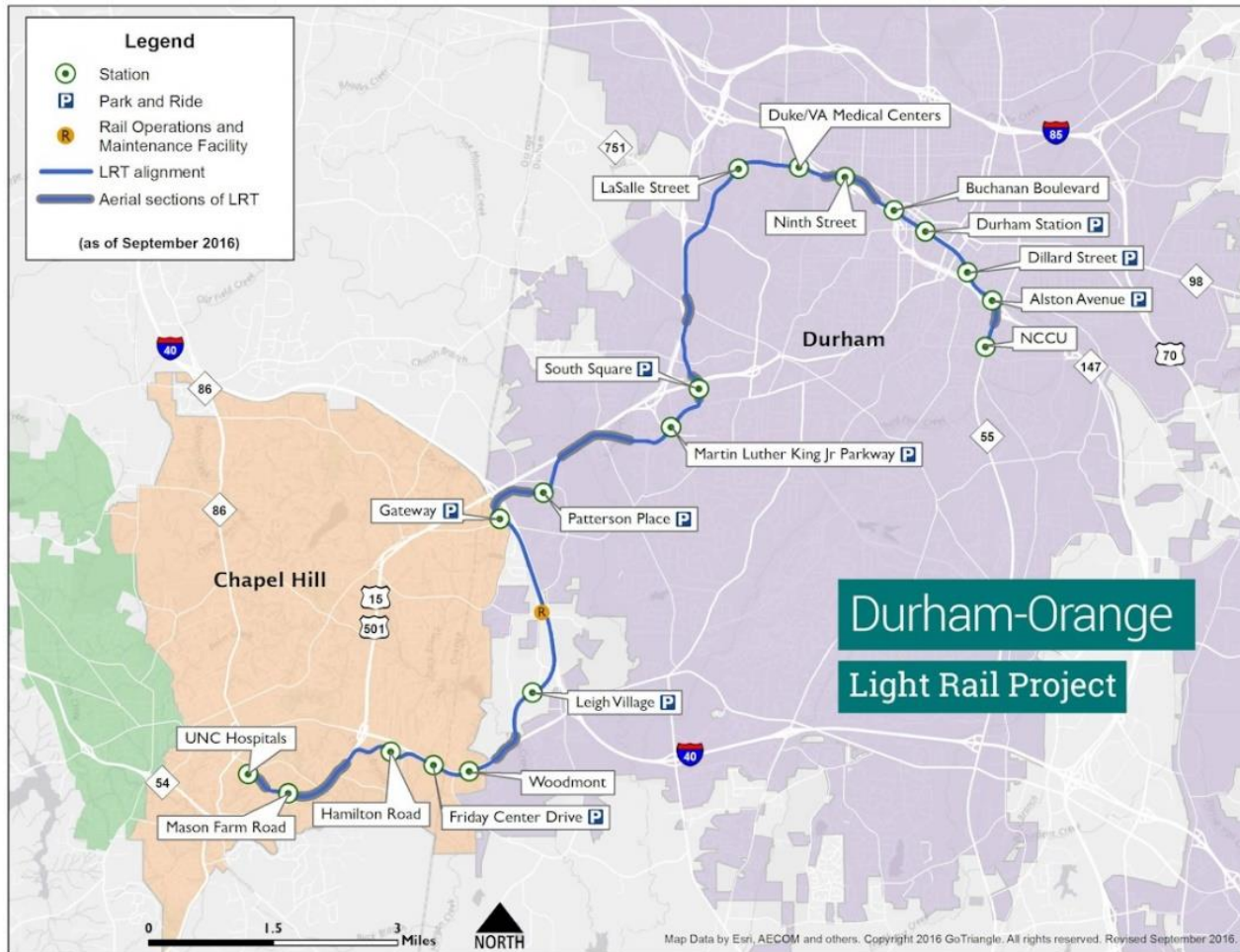




Downtown Durham

GO FORWARD
A COMMUNITY INVESTMENT IN TRANSIT

#ConnectingToOpportunity



Goals of FTA Grant

- **Coordinate** neighborhood planning w/ D-O LRT Design
- **Assess** and plan for economic development
- **Optimize** community benefits

Outcomes of FTA Grant

- **Prioritize** complementary infrastructure
- **Recommend** strategies to support equitable neighborhoods
- **Deliver** TOD Guidebook coordinating outcomes

Our Opportunity & Our Challenge

- 20 new people move to Durham / Chapel Hill metro area every day



Connecting to Opportunity

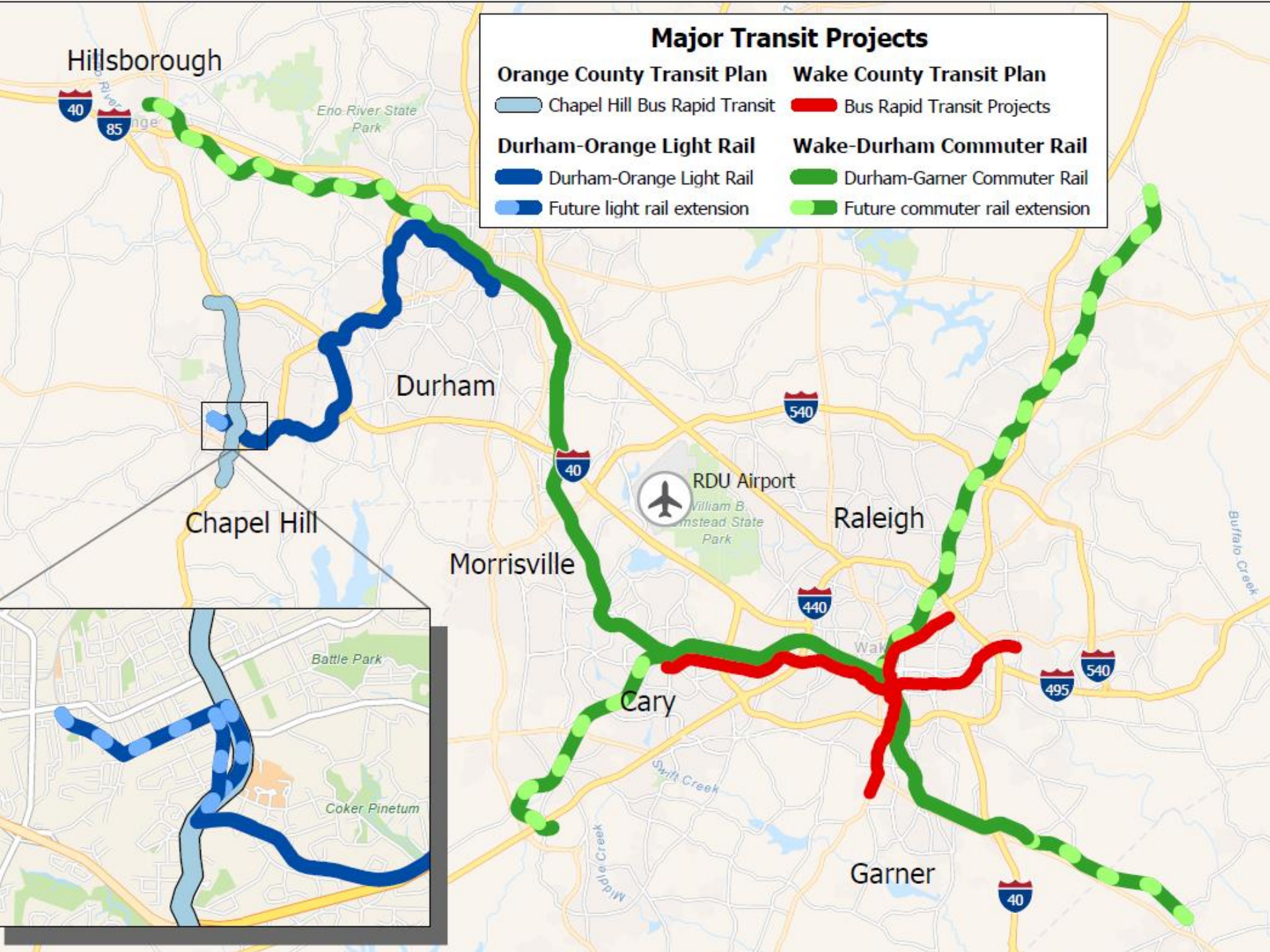
This growth means there are new jobs here – can we get people who need them to those jobs?



Personal Mobility Supports Social Mobility

“In a large, continuing study of upward mobility based at Harvard, commuting time has emerged as the single strongest factor in the odds of escaping poverty. The longer an average commute in a given county, the worse the chances of low-income families there moving up the ladder.” – **“Transportation Emerges as Crucial to Escaping Poverty,”** New York Times, May 7, 2015





Light Rail: Focused on Job Centers

- Durham-Orange Light Rail Corridor ~ 106,000 jobs **TODAY**
- Jobs in corridor projected to be over 150,000 in 20 years



Downtown Durham

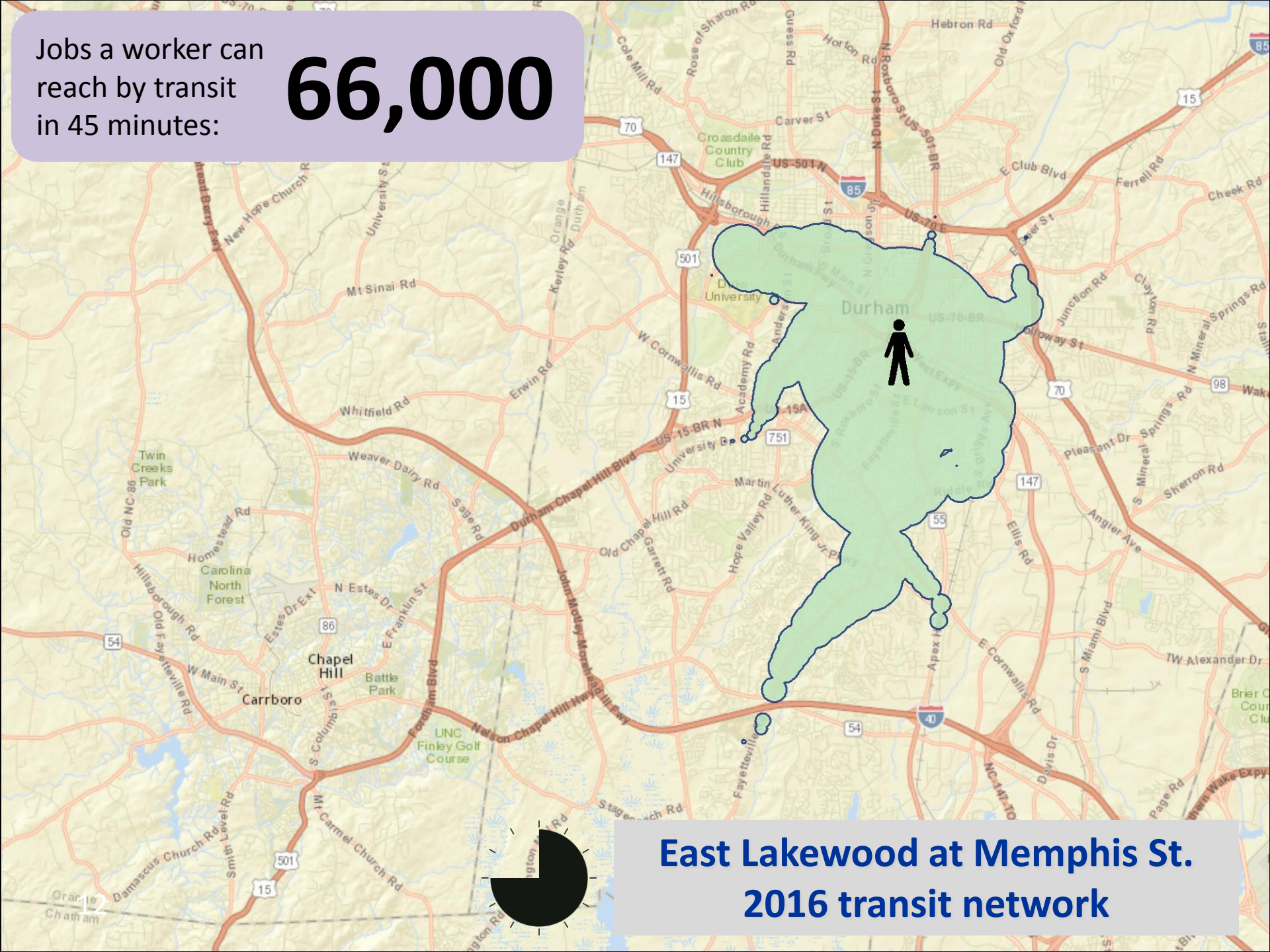


UNC Hospital



Duke/VA Medical Center

66,000



Jobs a worker can reach by transit in 45 minutes:

66,000

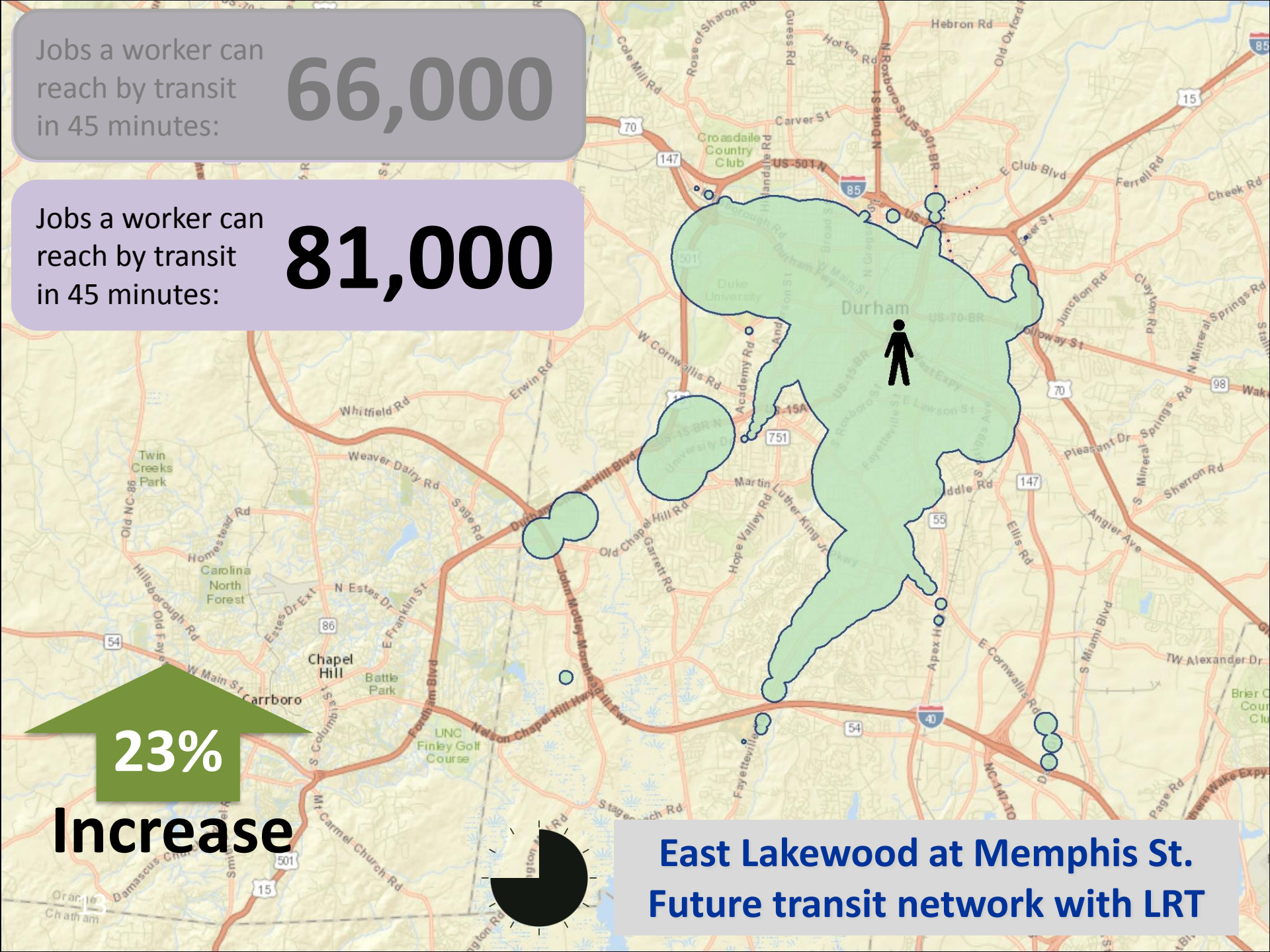
Jobs a worker can reach by transit in 45 minutes:

81,000

23%

Increase

**East Lakewood at Memphis St.
Future transit network with LRT**



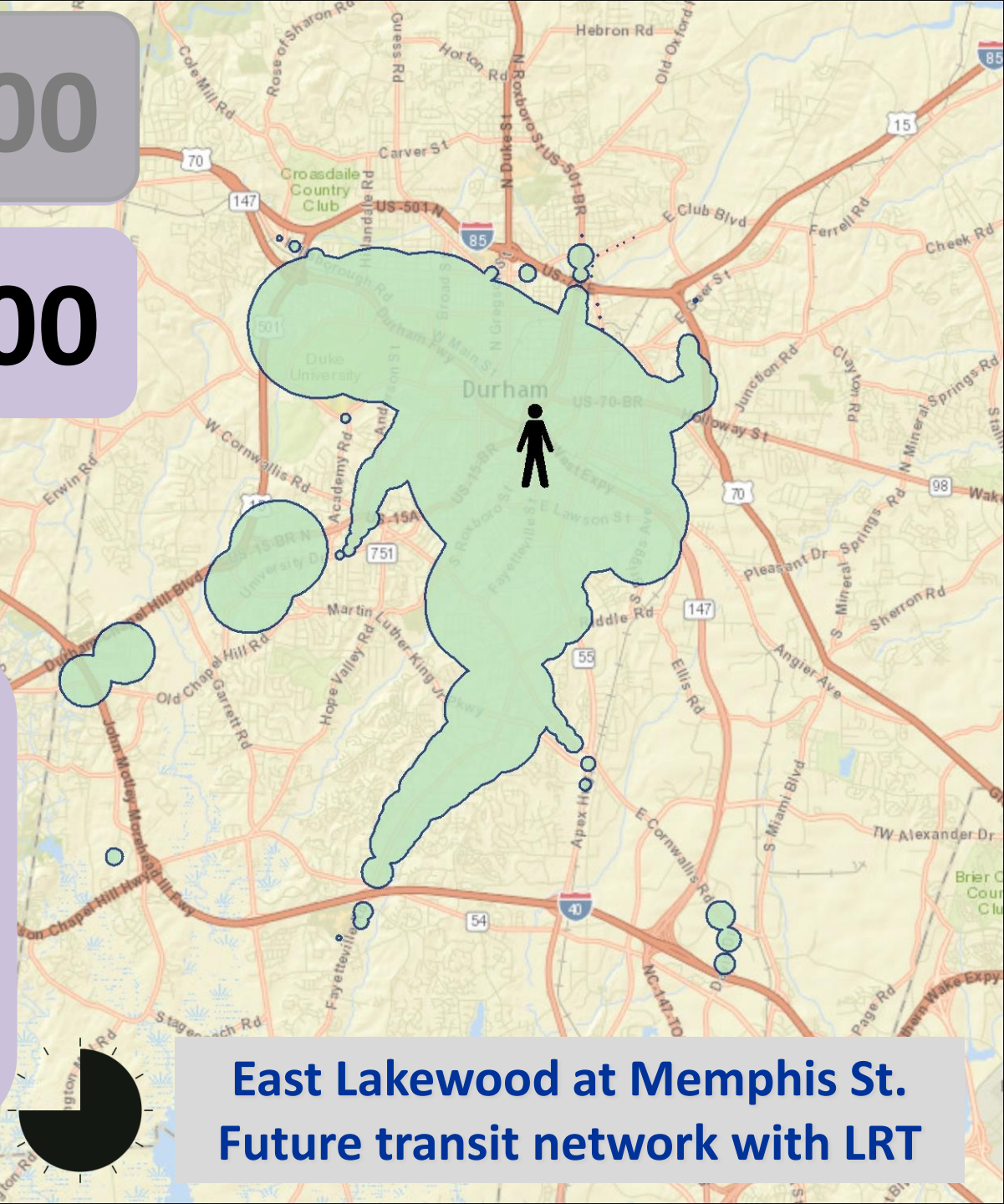
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Jobs a worker can
reach by transit
in 45 minutes:

81,000

These numbers are
based on the jobs and
housing we have **today**.
If we plan well for station
area development, even
more jobs will be
accessible in 45 minutes



East Lakewood at Memphis St.
Future transit network with LRT

Key Findings



Economic Benefits

Net New Accumulated Tax Revenue by Jurisdiction	2018 – 2057
Chapel Hill / Carrboro Schools	\$26M
Town of Chapel Hill	\$100M
Orange County	\$110M
City of Durham	\$480M
Durham County	\$680M
Total	\$1.4 billion

Financial estimates are reported as discounted present value based on an inflation-adjusted discount rate of 2.5%

New residents, construction in Durham pays off for city taxpayers



BY DAWN BAUMGARTNER VAUGHAN

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May 21, 2018 07:35 PM

Updated May 22, 2018 11:56 AM



DURHAM — All those new people and buildings coming to Durham also means that city taxpayers won't have to worry about their property taxes going up next year.

Durham is growing so much that City Manager Tom Bonfield is not seeking a property-tax increase.

"We're growing a lot, and it's generating money," he said Monday night.

The taxable value of property this coming year will grow by \$1.2 billion. That's a 4.46 percent increase, twice what the city predicted.

More revenues for:

- **Dedicated Housing Fund**
- **Durham Belt Line**
- **Athletic facilities**

Affordable Housing

#HousingForAll

- **Affordability = Housing + Transportation**
- **Growing population + limited supply**
- **Gentrification/Displacement Concerns**



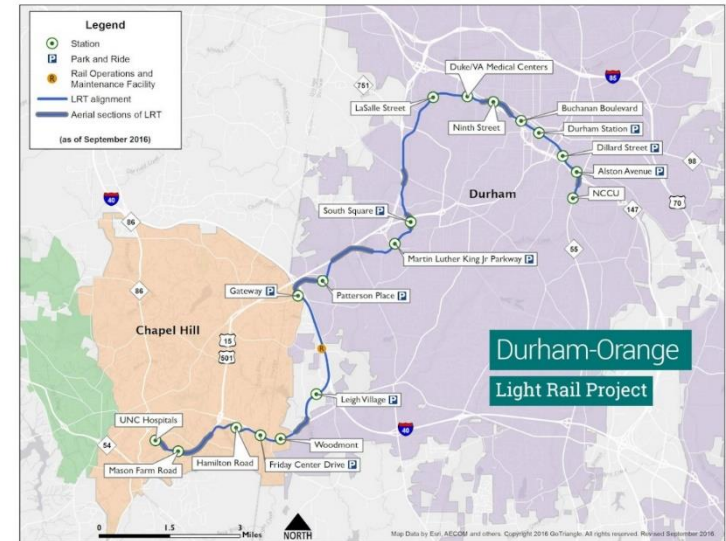
2013: \$168,000

2018: \$258,000

Durham median asking price, Redfin

Realizing Opportunities #HousingForAll

- **Harness growth along D-O LRT**
 - Equitable neighborhood change
 - Walkable urbanism
- **Partnerships**
 - Encourage meaningful private involvement
 - New partners (e.g., Impact Investing)



Strategies #HousingForAll

- **Addressing Affordable & Attainable**
 - Subsidized & Naturally Occurring
 - Calibrate for range of incomes
- **Missing Middle**
 - Housing type diversity
 - Incremental development (e.g., ADUs)
- **Preservation**
 - e.g., converting market rate multifamily



Just Do It

#HousingForAll

- Clear and predictable approval process
- Exactions alone will not suffice—Need Private & Public \$\$\$
- Expand experimentation with every tool possible

GO FORWARD

A COMMUNITY INVESTMENT IN TRANSIT

DISCUSSION



Video

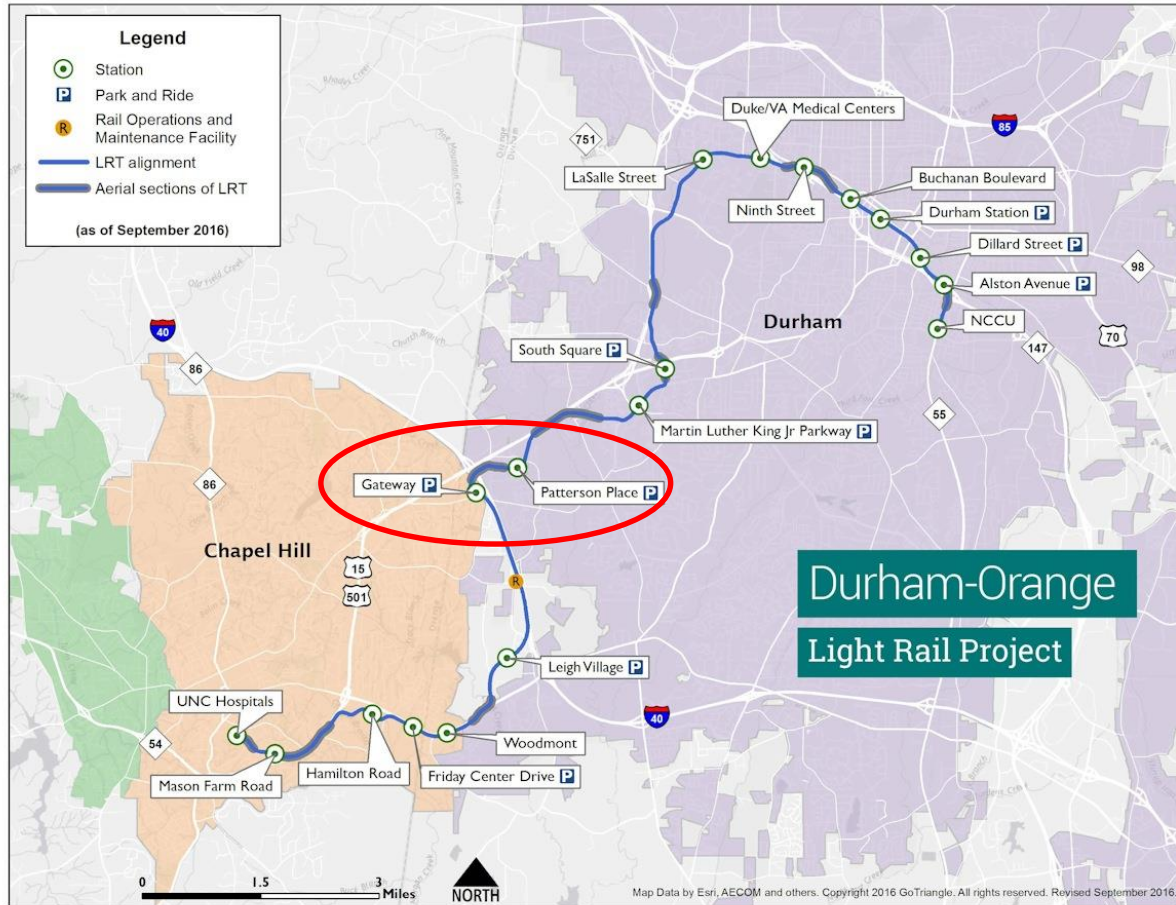
Catalytic Infrastructure Needs



- **Each station area has its own needs and catalytic opportunity**
- **Timing matters: e.g., affordable housing can't happen until utilities exist**
- **Harnessing partnership potential is key (e.g., OWASA reimbursement for oversizing utilities)**

Gateway + Eastowne + Patterson Place

Middle-of-the-Line



Gateway + Patterson Place

- Maximize benefits
 - Geography & Proximity
 - Opportunity for active uses
- Economic Development
 - Class “A” office / HQ
 - Hospitality & Entertainment
 - Retail & Residential
- Mobility: Walk, Bike, Bus, Drive, Rail



Gateway + Eastowne + Patterson Place

DOLRT Corridor Total	2018 – 2057
Station Areas (basis for all financial estimates below)	1071 acres
Potential Redevelopment Areas Within Station Areas	297 acres
Net New Property Value	\$484 million
Net New Annual Tax Revenue	\$6.56 million
Net New Accumulated Tax Revenue (through 2057)	\$200 million

Financial estimates are reported as discounted present value based on an inflation-adjusted discount rate of 2.5%

Connectivity



Gateway + Patterson Place



Gateway **15/501 Connections** > **District Parking**

Patterson Place **Sewer Pump Station** > **I-40 Bike/Hike Bridge**

Public-Led District Parking

- **Shared, Managed, Unbundled & Priced**
- **Mix of on-street, surface and structured**
- **Coordination among Chapel Hill, Durham, and private sector**

Near Term



Long Term



Zoning

Town of Chapel Hill

- Presently a Future Focus Area
- Adopt Framework Plan as part of Future Land Use Map
- Formulate a TOD District Ordinance
- Incorporate into the LUMO (Town-wide Land Use Management Ordinance) rewrite

City/County of Durham

- Compact Neighborhood Tier Boundary has been adopted
- Design District requirements are being crafted, including the establishment of sub-districts, future street network maps, environmental regulations, heights and densities, an affordable housing bonus, and parking regulations

Competitive Advantages

- **World – Class Universities**
- **A Global Brand**
- **Middle of the Line**

